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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/345,092	06/30/1999	JAY S. WALKER	WD2-98-119	9809
22927	7590	03/10/2006	EXAMINER NGUYEN, TRI V	
WALKER DIGITAL 2 HIGH RIDGE PARK STAMFORD, CT 06905			ART UNIT 3622	PAPER NUMBER

DATE MAILED: 03/10/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

**Application No.**

09/345,092

**Applicant(s)**

WALKER ET AL.

**Examiner**

Tri V. Nguyen

**Art Unit**

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 28 December 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-44 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☐ Claim(s) \_\_\_\_\_ is/are rejected.
- 7) ☒ Claim(s) 34, 38 and 41 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 30 June 1999 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

## **DETAILED ACTION**

### ***Response to Arguments***

1. Applicant's arguments filed December 28, 2005, with respect to the rejection(s) of claim(s) 1, 36, 40, 43 and 44 have been fully considered and are persuasive. Therefore, the rejection has been withdrawn. However, upon further consideration, a new ground(s) of rejection is made in view of Walker et al. (6,324,520) and Conlon et al. ("Press 1 for profits").

### ***Claim Objections***

2. Claims 34, 38, and 41 are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. See MPEP § 608.01(n) (II) and (III). The Claims fail the infringement test set forth in 608.01(n) (III); therefore, applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form.

### ***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1-44 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. (6,324,520) in view of Conlon et al. ("Press 1 for profit").

Claims 1, 10, 34, 36, 40, 41, 43, and 44: Walker et al. discloses a method, program, and apparatus for dispensing a product to a customer, comprising:

a. receiving a product selection from a customer (col 11, lines 24-25);

b. determining if the product qualifies for an alternate product offer (col 11, lines 59-60);  
c. presenting an alternate product offer message to the customer (col 12, lines 22-23);  
d. determining if the customer has accepted the alternate product offer (col 12, lines 45-49); and  
e. dispensing the alternate product if the customer accepts the offer (col 12, lines 45-49) but does not explicitly recites dispensing the originally selected product if the customer does not accept the offer (col 13, lines 3-7). In an analogous art, Conlon et al. teaches that it is known to use upselling and cross-selling to an alternate product to generate more revenues (page 1, § 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method, program and apparatus as taught by Walker et al. with using upselling and cross-selling as taught by Conlon et al. One would have been motivated to modify the method, program and apparatus with upselling and cross-selling to an alternate product to generate more revenues and gain a competitive advantage.

Walker et al. and Conlon et al. both disclose that the alternate product is selected based on the profit margins of the alternate product and the originally selected product (Walker et al.: col 12, lines 8-17 and Conlon et al.: (page 1, § 1).

Claims 2 and 37: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claims 1 and 36 above, and further discloses determining if the originally selected product has alternative product decision rules (Walker et al.: col 11, lines 47-58 and Conlon et al.: page 1, abstract).

Claim 3: Walker et al. and Conlon et al. discloses a method for dispensing a product as in Claim 2 above, and furthers discloses choosing the decision rule based on a predetermined selection hierarchy (Walker et al.: col 11, line 24 - col 12, line 17 and Conlon et al.: page 1, § 1).

Claims 4 and 5: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses choosing an alternate product based on the acceptance rate (Walker et al.: col 7, lines 50-66 and col 12, lines 45-59).

Claims 6, 8, 9, and 17: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses choosing an alternate product based on the expiration dates of the originally selected product and the alternate product (Walker et al.: col 7, lines 50-66 and col 12, lines 8-17).

Claim 7: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 6 above, and further discloses the alternate product is the next product in line for vending (Walker et al.: col 7, lines 50-66 and col 11, line 24 - col 12, line 17).

Claim 11: Walker et al. discloses a method for dispensing a product as in Claim 10 above, and further discloses choosing the alternate product based on the profit margins and expiration dates of the originally selected product and the alternate product (Walker et al.: col 12, lines 8-17).

Claims 12-14: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses choosing the alternative product based on the available quantities of the originally selected product and the alternate product as stored in an inventory database (Walker et al.: col 11, line 24 - col 12, line 17 and col 12, lines 62-65 and Conlon et al.: page 1, abstract).

Claims 15 and 16: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses determining and comparing the demand rate for the two products in order to determine whether the originally selected product qualifies for an alternate product offer (Walker et al.: col 11, line 24 - col 12, line 17).

Claims 18 and 23: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses that the alternate product offer is an incentive to purchase another item (i.e. a substitute product that is not the original product)(Walker et al.: col 7, lines 44-46 and Conlon et al.: page 1, § 1).

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Claim 19: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses that the alternate product offer includes a sales price (i.e. incentive) for the alternate product and that the customer must accept the offer before receiving the incentive (Walker et al.: col 7, lines 44-46 and Conlon et al.: page 1, § 1). Thus, the customer receives the offer in the future (upon acceptance). The Examiner also notes that it is old and well known to provide a coupon for future purchases as part of the packaging of products (e.g. inside the wrapper of a candy bar), which are offers for future incentives.

Claims 20-22: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 18 above. While it is not explicitly disclosed that the incentive is a coupon with a coupon code comprising a sequence of characters which includes an expiration date, Walker et al. does disclose using the expiration date of the product when determining the alternate product offer. Official Notice is taken that it is old and well known to identify coupons with coupon codes consisting of a sequence of characters and that the sequence of characters may include any desired information about the product, such as the UPC code, expiration date of the coupon, identity of the product manufacturer, etc. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include such a sequence of characters on the coupon. One would have been motivated to include such information on the coupon in order to allow better tracking of the incentive program by the coupon issuer, as is normal within the advertising arts.

Claims 24-26: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses that the offer is for a discount in the present price of the alternate product (Walker et al.: col 7, lines 25-29 and col 12, lines 25-28).

Claims 27 and 33: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses the use of upselling and cross-selling marketing to promote an offer for a plurality of different alternate products (Conlon et al.: page 1, abstract and § 1). Conlon et al. further discloses the use of proprietary algorithms to help in the decision-making (Conlon et al.: page 1, abstract).

Claim 28: Walker et al. and Conlon et al. disclose a method of dispensing a product as in Claim 1 above, and further disclose the customer either accepting or declining the offer for the alternate product (Walker et al.: col 12, lines 45-49). Conlon et al. further discloses a plurality of offers available to the consumers (Conlon et al.: page 1, abstract). While it is not explicitly disclosed that the customer will be presented with an additional offer for an alternate product if the first offer is declined, it would have been obvious to do so. One would have been motivated to provide a second alternate product offer if the first offer was declined in order to meet the desired goals of the invention as outlined by Walker (push products close to their expiration dates, push products that are overstocked, etc.).

Claim 29: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 1 above, and further discloses receiving an amount of money from the customer (Walker et al.: col 10, lines 65-66).

Claims 30 and 31: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 29 above, and further discloses receiving money from the customer and selecting an alternate product offer. Conlon et al. further discloses the use of upselling in the giving the offer. While it is not explicitly disclosed that the alternate product has a higher value than the originally selected product nor that it is based on the amount of money paid, it would have been obvious to do so. One would have been motivated to select an offer for an alternate product of higher value than the originally selected product and to further base the selection on the amount of money received in order to further entice acceptance of the offer by the customer without requiring the customer to insert additional money.

Claim 32: Walker et al. and Conlon et al. disclose a method for dispensing a product as in Claim 31 above, and further discloses that the offer is for a discount in the present price of the alternate product (Walker et al.: col 7, lines 25-29 and col 12, lines 25-28).

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Claims 35 and 39: Walker et al. and Conlon et al. disclose a program for dispensing a product as in Claims 34 and 38 above, and further discloses various storage devices upon which the program may be stored (Walker et al.: col 5, lines 29-49).

Claim 42: Walker et al. and Conlon et al. disclose an apparatus for dispensing a product as in Claim 41 above, and further discloses various output devices used to output the offer message to the customer (Walker et al.: col 5, lines 13-28).

### ***Response to Arguments***

5. The 101 rejection has been withdrawn in view Ex Parte Lundgren (BPAI 2005).
6. The double patenting rejection has been withdrawn.
7. Applicant's arguments filed on December 28, 2005 with respect to claims 1-44 have been considered but are moot in view of the new ground(s) of rejection.


### ***Conclusion***

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tri V. Nguyen whose telephone number is (571) 272-6965. The examiner can normally be reached on M-F 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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